

University of California

# Retirement Savings Program

Information for Safe Harbor Participants

- Student Employees
- Part-Time Employees
- Seasonal Employees
- Temporary UC Employees



**Defined Contribution Plan**

## Questions and Answers

### 1. What happens to the DC Plan contributions deducted from my pay?

Your contributions to your DC Plan account are automatically invested in the UC Savings Fund, one of a group of "Core Funds" selected and monitored by the UC Office of the Treasurer. You may direct contributions to any of these Core Funds or other investment options. Refer to the following section which provides instructions on how you can get more information.

### 2. How can I obtain information about my DC Plan account activity?

If you have any questions concerning your DC Plan account, you should call Fidelity Retirement Services<sup>SM</sup> toll-free at 1-866-682-7787, Monday through Friday (excluding New York Stock Exchange holidays), 5 a.m. to 9 p.m. Pacific time, to speak with a Retirement Services Specialist. Employees with a hearing or speech impairment can call 1-800-259-9743.

If you are calling from outside the United States or Canada, please dial the appropriate AT&T direct access code for the corresponding country. This will connect you to AT&T. At that point you should dial the Fidelity Retirement Services toll-free international number, 877-343-0860.

You can also get information about your DC Plan account by going online at **[www.netbenefits.com](http://www.netbenefits.com)**.

Before obtaining account information online or by phone, you must establish a personal identification number (PIN) with Fidelity Retirement Services. Your PIN must be six to 12 characters in length; it cannot be your Social Security number, Customer ID number, or date of birth; and it cannot be a sequential or repeating number or letter (e.g., 123456 or AAAAAA). You will need your date of birth and ZIP code in order to establish your PIN. You will also be asked to choose a security question. If you forget your PIN, this question will help confirm your identity for PIN reset.

You'll need your PIN each time you call or go online to access your account.

#### Online PIN Setup

1. Log on to Fidelity NetBenefits® at **[www.netbenefits.com](http://www.netbenefits.com)**
2. Select *New User Registration*
3. Enter your Social Security number and select *Next*
4. Enter your date of birth and ZIP code to complete User Identification
5. Choose to change your User ID or to continue to use your Social Security number and select *Next*
6. Enter your six- to 12-character PIN
7. Confirm your entry as instructed

#### Telephone PIN Setup

1. Dial **1-866-682-7787** to access our automated phone system
2. Press 1 for touch-tone service or say "two" for voice recognition service
3. Key in or say your Social Security number or Customer ID number
4. Follow the instructions regarding entry of the above information
5. Enter your six- to 12-character PIN
6. Confirm your entry as instructed

### 3. When can I receive my DC Plan money?

The Internal Revenue Code (IRC) permits participants to take a distribution from the DC Plan Pretax Account only when they are no longer working for UC in any capacity. This rule also applies to student employees who, because of a change in their courseload, become exempt from Plan participation but are still employed by UC in any wage-earning capacity. Also, if you leave UC employment and request a distribution, but are reemployed by UC before the distribution is paid, you may become ineligible to receive the distribution.

### 4. What options do I have for my money when I leave UC employment?

If you leave UC employment, you may:

- Request a distribution to be paid directly to you;
- Arrange for a direct rollover of your money to a traditional IRA or other employer plan which accepts rollovers;
- Keep your money in the Plan if your balance is at least \$2,000; or
- Receive retirement income from the Plan, if eligible.

Participants who leave UC employment and have a balance of less than \$2,000 in the Plan cannot leave their money in the Plan. Account balances of \$1,000 or less will automatically be distributed at the end of the quarter to participants who have not provided distribution directions. Balances greater than \$1,000 but less than \$2,000 will be rolled over into an IRA in the participant's name unless the participant provides distribution directions. *It is important that you maintain your address records to assure delivery of your distribution.*

Distributions are generally taxed as ordinary income in the year they are issued and may be subject to early distribution penalties if they are taken before age 59½. For more information about the tax treatment and potential penalties of Plan distributions, contact Fidelity Retirement Services online at [www.netbenefits.com](http://www.netbenefits.com) or call the toll-free number: **1-866-682-7787**. Fidelity Retirement Services representatives are available Monday through Friday, from 5 a.m. to 9 p.m. Pacific time.

### 5. What happens to my DC Plan account if I die before I retire or leave UC employment?

If you die before you retire or leave UC employment, your DC Plan balance will be payable in a lump sum to your beneficiary. Your beneficiary may be a person, trustee or organization. You may also name more than one beneficiary and specify the percentage of your accumulations that each beneficiary is to receive.

### 6. How do I designate a beneficiary for my DC Plan account?

Participants in the University of California Defined Contribution Plan can designate beneficiaries using Fidelity Retirement Services's online service, at [www.netbenefits.com](http://www.netbenefits.com). Select *Beneficiaries* under *Your Profile* and follow the simple instructions provided.

## 7. What happens to my DC Plan account if I don't designate a beneficiary?

If you don't designate a beneficiary, or if your beneficiary dies before you do, your account will be paid to your survivors in the following order of succession:

- Surviving legal spouse or surviving domestic partner; or, if none,
- Surviving children, natural or adopted, on an equal-share basis (children of a deceased child share their parent's benefit); or, if none,
- Surviving parents on an equal-share basis; or if none,
- Brothers and sisters on an equal-share basis; or, if none,
- Your estate.

## 8. What other opportunities do I have to save for retirement?

As an employee of the University of California you can also participate in the other plans in the UC Retirement Savings Program, the Tax-Deferred 403(b) Plan and the 457(b) Deferred Compensation Plan. These plans are not available to students who normally work fewer than 20 hours per week. Additional information is available online through [atyourservice.ucop.edu](http://atyourservice.ucop.edu) or [www.netbenefits.com](http://www.netbenefits.com).

It is your responsibility to maintain your account information. For instance, updates to your address will assure that you receive communications regarding account balances and distributions. It is also your responsibility to contact Fidelity Retirement Services at 1-866-682-7787 or online at [www.netbenefits.com](http://www.netbenefits.com) when you terminate employment. Fidelity Retirement Services Specialists will assist you with taking distribution of your accumulated account balance.

*Unless otherwise noted, transaction requests confirmed after the close of the market, normally 1 p.m. Pacific time, or on weekends or holidays, will receive the next available closing prices.*

The taxable portion of your withdrawal that is eligible for rollover into an individual retirement account (IRA) or another employer's retirement plan is subject to 20% mandatory federal income tax withholding, unless it is directly rolled over to an IRA or another employer plan. (You may owe more or less when you file your income taxes.) If you are under age 59½, the taxable portion of your withdrawal is also subject to a 10% early withdrawal penalty, unless you qualify for an exception to this rule.

This document provides only a summary of the main features of the University of California Defined Contribution Plan, and the Plan document will govern in the event of any discrepancy.

Neither the Regents of the University of California nor any officer or affiliated officer of the University makes any recommendation to participants for building supplemental retirement savings, and the various options available for contributions should not be construed in any respect as judgment regarding the prudence or advisability of such investments or a tax advice.

By authority of the Regents, University of California Human Resources and Benefits, located in Oakland, administers all benefit plans in accordance with applicable plan documents and regulations, custodial agreements, University of California Group Insurance Regulations, group insurance contracts, and state and federal laws. No person is authorized to provide benefits information not contained in these source documents, and information not contained in these source documents cannot be relied upon as having been authorized by the Regents. Source documents are available for inspection upon request (1-800-888-8267). What is written here does not constitute a guarantee of plan coverage or benefits—particular rules and eligibility requirements must be met before benefits can be received. The University of California intends to continue the benefits described here indefinitely; however, the benefits of all employees, retirees, and plan beneficiaries are subject to change or termination at the time of contract renewal or at any other time by the University or other governing authorities. The University also reserves the right to determine new premiums, employer contributions and monthly costs at any time. Health and welfare benefits are not accrued or vested benefit entitlements. UC's contribution toward the monthly cost of the coverage is determined by UC and may change or stop altogether, and may be affected by the state of California's annual budget appropriation. If you belong to an exclusively represented bargaining unit, some of your benefits may differ from the ones described here. Contact your Human Resources Office for more information.



Part-time, seasonal, temporary employees, and non-exempt student employees\* participate in the DC Plan as Safe Harbor† participants. You are automatically enrolled in the DC plan as long as you are employed by University of California. Safe Harbor participants contribute, on a pre-tax basis, 7.5% of their wages automatically beginning the first day of an eligible appointment.

Please read the information provided here about the DC Plan and the impact of participating in this valuable benefit on your current salary and future retirement benefits. Questions about eligibility for DC Plan participation should be directed to the person in your department, laboratory or medical center who is responsible for handling benefits. In addition, you can call Fidelity Retirement Services, toll-free, at 1-866-6UC-RSVP (1-866-682-7787). Retirement Services Specialists are available Monday through Friday from 5 a.m. to 9 p.m. Pacific time.

\*Student employees who are enrolled and satisfy the campus required minimum courseload are exempt from participation in the UC Defined Contribution Plan.

†To satisfy state and federal requirements, certain University of California employees who are not otherwise covered by a retirement system contribute to the University of California Defined Contribution Plan (the DC Plan or the Plan) in lieu of paying Social Security taxes. The DC Plan is qualified under section 401(a) of the Internal Revenue Code (IRC). Administered by the University of California Retirement System (UCRS) for the sole benefit of participants and their beneficiaries, the DC Plan provides retirement benefits based on participants' contributions, plus earnings. The Plan is part of the UC Retirement Savings Program, recordkept by Fidelity Retirement Services. Additional information on the plan is provided in the Summary Plan Description available online through [atyourservice.ucop.edu](https://atyourservice.ucop.edu) or [www.netbenefits.com](https://www.netbenefits.com).

In conformance with applicable law and University policy, the University asserts that it is an affirmative action/ equal opportunity employer. Please send inquiries regarding the University's affirmative action and equal opportunity policies for staff to Director of Diversity and Employee Programs, University of California, Office of the President, 300 Lakeside Drive, Oakland, CA 94612 and for faculty to Director of Academic Affirmative Action, University of California, Office of the President, 1111 Franklin Street, Oakland, CA 94607.